

Overview

Preface

This technical reference is provided to postsecondary schools participating in the William D. Ford Federal Direct Loan Program. It contains technical system information that allows you to either:

- Build your own system,
- Use a system provided by another organization (for example, a software provider or third-party servicer), or
- Use EDEExpress (the software package provided by the U.S. Department of Education) in combination with your own system or vendor provided software.

Common Origination and Disbursement

All schools participating in Title IV Student Financial Assistance are using the Common Origination and Disbursement (COD) System for 2002-2003 to process the Federal Direct Loan Program and the Federal Pell Grant Program using one of two processing models. The two models are:

- Full Participation
- Phase-In Participation.

The difference in the two models is driven by the data transmissions between the institutions and the COD System.

Full Participation

Full Participation is a new processing model. The Full Participant communicates over the Student Aid Internet Gateway (SAIG) using the XML-based Common Record which is defined in the COD Technical Reference.

The Common Record uses a shared format for both the Federal Pell Grant and Direct Loan Program transmissions and for the campus-based programs of SEOG, Perkins Loan and College Work Study. This latter capability for campus-based is optional for a school.

Note: Full Participants should use the COD Technical Reference found at **www.SFAdownload.ed.gov**.

Phase-In Participation

Phase-in Participation is the continuation of the current processing model for the Direct Loan Program and for the Pell Grant Program. Phase-In Participants communicate over the SAIG using the record layouts defined in this 2002-2003 Direct Loan Technical Reference and the 2002-2003 Pell Grant Technical Reference.

Note: Direct Loan Phase-in Participants continue to use the fixed length record layouts and processes described in this technical reference. Pell Phase-in Participants continue to use the fixed length record layouts and processes described in the Pell Grant Technical Reference at **www.SFAdownload.ed.gov**.

2002-2003 Direct Loan Processing for Phase-In Participants

For 2002-2003, Direct Loan Phase-in Participants should:

- **Transmit all batch files to the SAIG to be forwarded to COD (Loan Origination will no longer occur at the Loan Origination Center (LOC) in Montgomery, AL.)**
- Perform on-line PLUS Credit Checks for all program years on the COD Web site (The address to be provided at a later date.)
- **Mail all Promissory Notes to the current mailing address: P.O. Box 5692, Montgomery, AL 36103-5692**
- Return Excess Cash for 2002-2003 and forward to COD
- Return Excess Cash for prior programs years to the LOC
- Request Direct Loan Bulk Mail by calling the current number, 1-800-848-0979
- Call COD Customer Service Center using the current telephone numbers

New COD Customer Service Center

SFA's new COD Customer Service Center integrates customer service for the Direct Loan and Pell Grant Programs for all award years.

All schools and Direct Loan PLUS borrowers continue to call the current Direct Loan and Pell Grant Customer Service numbers. There is no change in telephone numbers:

- Pell Grant Customer Service 1-800-474-7261
- Direct Loan School Service 1-800-848-0978
- Direct Loan Applicant Service 1-800-557-7394

All calls are routed to the new COD Customer Service Center. The COD Customer Service Center telephone system prompts the school to enter the award year the school is calling in reference to, and the call is routed to the proper Customer Service Center staff.

2002-2003 Direct Loan Technical Reference for Phase-In Participants

The Direct Loan Technical Reference for 2002-2003 is organized into the following four sections:

Overview

- Preface
- System Options
- Overview of Changes from 2001-2002 to 2002-2003
- Loan Origination Options
- Items to Consider in Choosing a System Option
- PC Requirements

Custom

- Custom Layouts
- Custom Edits
- Custom System Requirements
- Implementation Guide

Combination

- Combination Layouts
- Combination Edits
- Combination System Requirements

Appendices

- Direct Loan Reports
- Lists and Reports
- Miscellaneous
- Direct Loan Forms

Important Telephone Numbers

The U.S. Department of Education (ED) Direct Loan Operations Staff is available to answer Direct Loan operations and procedure questions from 8:00 a.m. - 5:00 p.m. (ET), Monday through Friday. They can be reached at:

202/377-3150

Questions regarding this technical reference should be directed to CPS/WAN Technical Support at:

800/330-5947

Questions regarding the Implementation Guide should be directed to:

800/848-0978

For additional help lines, please visit Sources of Assistance for Schools located at **SFAdownload.ed.gov**.

All schools should read this Overview section of this technical reference. It contains important phone numbers to call for assistance, information to help you choose how you want to participate electronically in the Direct Loan Program, and what is new for 2002-2003.

A Table of Contents and Index are provided for your reference.

System Options

The U.S. Department of Education gives you maximum flexibility in fashioning a system solution that best meets your institution's needs and loan origination option. The three system options are:

1. Custom System

You have the option of developing a system to support all the necessary tasks required to participate in the William D. Ford Federal Direct Loan program, purchasing a software package from a third party or contracting a third-party servicer.

If you choose to use a custom system, read Custom Sections 1, 2, 3, 4, and the Appendices thoroughly. They provide you with essential record layouts, system edits, and system requirements pertinent to building your own system. An Implementation Guide for 2002-2003 is provided in Section 4.

2. Combination EDEExpress/Custom System

You can choose to use a portion of the functions provided by EDEExpress in conjunction with external systems or software from another vendor. EDEExpress allows you to import data captured in other on-campus systems (for example, a financial aid packaging system). Also, it enables you to export data from the EDEExpress database needed by other on-campus systems (such as the institution's business office).

If you choose to use a combination of systems, read the Combination Sections 5, 6, 7, and the Appendices thoroughly. These sections provide you with essential record layouts, system edits, and system requirements pertinent to using a combination of systems.

3. EDExpress

EDExpress is a comprehensive financial aid management system provided at no cost by the U.S. Department of Education. It is a student-based system that allows you to perform functions, such as processing Federal application data, including loading and printing Institutional Student Information Records (ISIRs) received electronically from the Central Processing System (CPS). It also computes student award packages, maintains funds, tracks file documents, generates reports, establishes loan origination records, prints promissory notes, manages disbursement data, reconciles funds, and reports Pell Grant payment data. EDExpress supports all the necessary tasks required to participate in the William D. Ford Federal Direct Loan Program.

Overview of Changes from 2001-2002 to 2002-2003

The table below provides an overview of Direct Loan changes made from 2001-2002 to 2002-2003. The first column provides a description of each change. The descriptions are organized by the following three categories: Removed, Added, and Modified. The second column indicates if the change affects EDEExpress or Combination Systems. The third column indicates if the change affects Custom Systems or Mainframe Systems.

| Description | EDEExpress/ Combination Systems | Custom/ Mainframe Systems |
|---|---------------------------------------|---------------------------------|
| Removed | | |
| Permanent Address Change Date, Local Address Change Date, Borrower's SSN Change Date and Borrower's Date of Birth Change Date fields from the Loan Record and replaced with filler. In EDEExpress, these same fields are available on the Demo tab. EDEExpress will not export these change date fields to COD. | X | X |
| Borrower's Driver's License Number and Driver's License State from the Loan Record and replaced with filler. In EDEExpress, these fields are still available via Entry and the External Add process, but will not be exported to COD. | X | X |
| Functionality to display and print Direct Loan Record Layouts within EDEExpress with the exception of the User Defined External Export. | X | |
| Entrance Interview edit from PLUS Loans in EDEExpress. | X | |
| School Status Code, Loan Identifier Status, Disbursement Number Status, Transaction Date Status, and Sequence Number Status from the Disbursement Acknowledgement Record and replaced with filler. | X | X |
| Loan Detail Exception File Export | X | X |
| Added | | |
| MPN Type to the MPN/PLUS Promissory Note Acknowledgement to indicate either an electronic or paper note. | X | X |
| COD generated Disbursement Sequence Number (91-99) to the Disbursement Acknowledgement, batch type SP, for Payment to Servicer transactions. | X | X |

| Description | EDEXpress/ Combination Systems | Custom/ Mainframe Systems |
|---|--------------------------------------|---------------------------------|
| Added (Continued) | | |
| Process to transmit files to schools of the borrowers who have successfully completed entrance interview counseling. | X | X |
| Process to transmit files from Servicing to schools indicating the borrowers who have completed exit counseling on the Servicing Web site. | X | X |
| Process for Servicing to notify COD of borrowers who are pending bankruptcy or have discharged loans. This information is used for processing loan limits or disbursements. | | X |
| Vendor Software Version number to the Header Record for all batch files being exported to COD. This 9-character field in the header record is left justified, alphanumeric. The format for EDEXpress shall be: EXP8.1 | X | X |
| Functionality to process disbursement records dated 7 calendar days in the future. | X | X |
| Option to print Parent Borrower address labels from EDEXpress. | X | |
| Functionality to also save a loan record when originating a loan within EDEXpress. | X | |
| Academic year dates and loan period dates to the EDEXpress External Import Add file providing the capability to generate disbursement profiles through the external import process. | X | |
| Option to delete an actual disbursement record prior to and during the save process in EDEXpress. | X | |
| Predefined query in EDEXpress for Change Batch. | X | |
| Loan Eligibility List report to EDEXpress to assist schools in identifying overawards and to investigate loan limit issues. | X | |
| Functionality to EDEXpress to indicate when a loan field has been updated and track and display when the update is accepted by COD. | X | |

| Description | EDEXpress/ Combination Systems | Custom/ Mainframe Systems |
|---|--------------------------------------|---------------------------------|
| Added (Continued) | | |
| Functionality to EDEXpress to provide the ability to import prior year data from all Direct Loan setups. | X | |
| “S” Signed and “P” Printed as valid values for the MPN Status on the EDEXpress External Import Add record. | X | |
| “P” Printed as a valid value for the MPN/Promissory Note Status for the EDEXpress External Change Process. | X | |
| Modified | | |
| Loan Origination Record and Rebuild Origination Detail Record layouts to replace the Disbursement Anticipated Percentage fields and the Loan Amount Requested field with filler. | X | X |
| Process of saving and storing the student’s local address fields. If the student’s local address is blank, the LOC stores blank. | | X |
| Process to send COD Booking notifications. Booking Notification is sent by COD for the first disbursement of a loan. Booking Notifications are NOT sent for each subsequent disbursement or adjustment. | X | X |
| Disbursement Acknowledgement layout to replace Field #14 - School Code Status, Field #15 - Loan Identifier Status, Field #16 - Disbursement Number Status, Field #18 – Transaction Date Status, and Field #19 - Sequence Number Status with filler. | X | X |
| DLSAS and 732 reports are combined into one report, the SAS. This report contains all data elements from both reports. For EDEXpress, the combined SAS is removed from the DL module and included in DL Tools. | X | X |
| Loan Limits edits at COD are not based on overlapping academic years. | | X |
| Entrance Interview Flag in EDEXpress to an 8-character date field. The Entrance Interview Date continues to be updated on the Demo tab but also displays on the Disbursement tab. | X | |

| Description | EExpress/ Combination Systems | Custom/ Mainframe Systems |
|--|-------------------------------------|---------------------------------|
| Modified (Continued) | | |
| Keystrokes in EExpress when saving a loan record. No longer are you required to click “OK.” Instead a message displays confirming the save process has occurred and no action is required by user. | X | |
| Direct Loan Disbursement Setup in EExpress to default the assumed school code from DL System Setup into individual Disbursement Profiles. | X | |
| Direct Loan School Code field on the Loan tab in EExpress to display only. | X | |
| Manifest title in EExpress to indicate whether the manifest is for Subsidized/Unsubsidized loans or PLUS loans. | X | |
| ISIR import into the DL module of EExpress to include the updating of the Default/Overpayment field on the Loan record. | X | |
| Anticipated List report in EExpress to print gross, fee, interest rebate, and net amounts and to provide the option to print both Corresponding Actuals and Pending Actuals. | X | |
| Actual Disbursement List report in EExpress to include Net Disbursement Totals per student. | X | |
| School/COD Loan Totals List report in EExpress to provide the option to only print records with a difference greater than zero. | X | |
| The Status Measurement Tools in EExpress renamed Status List Report and includes the Credit Decision Status. | X | |
| Borrower's Date of Birth date range to 19000101 to 19941231. The valid date range for EExpress is modified to match the ISIR 19020101 to 19991231. | X | X |

Loan Origination Options

The following loan origination options are available to your school under the Direct Loan Program:

- | | |
|-----------------------|--|
| Option 1: | Option 1 schools are responsible for all the functions associated with the Direct Loan Program except for requesting drawdowns. The Loan Origination Center performs the drawdown requests. Specific borrowers are identified for each drawdown request on the Anticipated Disbursement Listing. The Actual Disbursement Roster displays the amounts a school credits to a borrower's account. |
| Option 2: | Option 2 schools are responsible for performing all functions associated with the Direct Loan Program. |
| Standard Origination: | Standard Origination schools are responsible for performing all functions associated with the Direct Loan Program except for requesting drawdowns (see Option 1) and printing promissory notes. The LOC prints promissory notes and forwards the notes to the borrowers. The borrowers return promissory notes directly to the LOC. |

Items to Consider in Choosing a System Option

| | |
|------------------------|---|
| Loan Level Volume: | How large is the loan volume at your institution? |
| Available Resources: | How much of the following resources are available for the Direct Loan system: staff, data processing resources, equipment, and money? |
| Existing Systems: | What existing systems are in place and how easy is it to integrate the Direct Loan system? |
| Time Constraints: | Is there enough time available for a Direct Loan system to be developed? |
| Campus Communications: | Are there existing means of communication between offices involved in the Direct Loan system? These offices could include financial aid, registrar, and bursars. |
| Video: | <i>Implementing a Custom Direct Loan Processing System.</i> This video examines the options available for implementing the Direct Loan Program. This video is available by calling the Direct Loan Operations Staff or 800/4FED-AID (800/433-3243). |

If you participate in the Electronic Access of Information with EDEExpress, the Department of Education provides personal computer (PC) software designed to manage financial aid processing, including the Direct Loan Program. Modules in EDEExpress include Application Processing, Packaging, Direct Loan, Pell Payments, and a stand-alone module, Direct Loan Tools. The remainder of this section describes the hardware and interface requirements of the Combination EDEExpress/Custom System option.

PC Requirements

Beginning January 1, 2002, for the 2002-2003 processing year, the Department of Education's designated electronic processes require participating institutions to meet the hardware and software requirements that appear below. When reviewing these updated specifications, you should be aware that capacity requirements (processor speed, RAM, hard drive storage, etc.) are greatly affected by specific factors at your institution, including which SFA functions your institution uses, the number of records processed, and institutional database interfaces.

- IBM or fully IBM compatible PC
- 800 MHz Pentium Processor or comparable
- 128 MB RAM or more
- 20 GB hard drive or more
- 56K modem (that meets or is upgradable to V.90 standard)
- 3.5"/1.44 MB Diskette Drive
- Monitor and video card capable of Super Video Graphics Adapter (SVGA) (800x600) resolution (small fonts only) or higher*
- Windows 95 Keyboard with Microsoft compatible mouse
- Laser printer capable of printing on standard paper (8 ½" x 11")
- 24x CD-ROM Drive or higher with sound card
- 32-bit operating system (Microsoft Windows 98, Microsoft Windows NT 4.0, or Microsoft Windows 2000)
- Internet Service Provider (ISP) that supports 56K modem connection or higher
- Browser Requirements:
 - Internet Explorer v4.01 Service Pack 2 or higher
 - Netscape Navigator v4.73 or higher
- Supported Networks: Windows NT or Novell Netware
- Dedicated phone line
- 3.5" high-density double-sided diskettes

* EDEExpress is designed in SVGA. You may use a higher resolution than SVGA at your own discretion without adverse impact on EDEExpress.

Optional Items to Consider

The following items are recommended as additional tools to assist you in managing and protecting your financial aid data:

- Backup system (for example, a tape backup system) to store your data.
- Power supply backup or surge protectors.
- Phone line surge protector.
- Virus scan software.

Note: A backup of EDEExpress should be performed on a regular basis. Make sure your backup can be restored. If you are running EDEExpress on a local area network (LAN), refer to the EDEExpress Installation Guide for LAN Hardware and Software recommendations.

Interface with other Software Systems on Campus

Your other institutional computer systems, used for registration or accounting, are potential providers of data to the EDEExpress Direct Loan Software. EDEExpress is designed to import data captured in these other systems that has been reformatted according to specifications provided in this technical reference.

Likewise, data in EDEExpress is of potential use to other on-campus systems. Therefore, the system provides you with the ability to export data. File formats for the export files are provided so your institutional systems can be modified.